

Bill Summary: Healthy Farms, Foods, and Fuels Act of 2007

The Healthy Farms, Fuels and Food Acts will:

- Promote energy development and efficiency on farms, ranches and private forest lands
- Provide consumers with more healthy food choices, especially children
- Increase incentives for stewardship by farmers, ranchers and private foresters
- Boost farm profitability by providing grants to developed value-added products, assisting farmers in transitioning to organic production, adding value to agricultural products, and developing farm business plans.

Title I -- Conservation

Sec. 101 Protect and Reform the Conservation Reserve Program.

This section maintains the Conservation Reserve Program, which rewards producers who temporarily or permanently retire and restore cropland, at its current maximum enrollment of 39.2 million acres. It also reforms the program by requiring revisions to the environmental benefits index used to rank applications, and by encouraging greater enrollment and restoration of land in floodplains, wetlands, and other lands which are particularly difficult to farm and which could provide significant environment benefits. In particular, this section sets a 7 million acre non-binding goal for the enrollment of these lands. In addition, this section directs USDA to ensure that producers use appropriate plants to restore enrolled lands, to ensure that producers undertake needed management of enrolled land, and to provide 75 percent of the cost of management activities. This section also authorizes longer-term contracts for the restoration of certain types of forests.

Sec. 102 Expand the Wetlands Reserve Program

This section expands the Wetlands Reserve Program, which rewards producers who restore lost wetlands, from 2.275 million acres to 5 million acres, expands eligible land to include riparian areas, encourages more effective management of restored wetlands, and maintains the priority for enrollments that benefit wildlife with an additional emphasis on rare species. This section also improves the process for appraising the value of lands offered for enrollment.

Sec. 103 Remove the Cap on the Conservation Security Program

This section lifts a cap on the Conservation Security Program, which rewards producers based upon their level of environmental performance, and makes the program continuously available to all farmers and ranchers who satisfy the highest levels of environmental performance on their farms and ranches and allows all farmers and ranchers an opportunity to enroll their lands once every three years. This section also reforms CSP to clarify eligibility criteria, to provide adequate technical assistance, and to encourage new and higher levels of environmental performance during re-enrollment.

Sec. 104 Expand and Reform the Grassland Reserve Program.

This section increases from 2 million to 10 million the number of acres of land that can be enrolled in the Grassland Reserve Program, which protects grasslands from development and provides funds to restore rangeland health. This section also strikes a balance between the use of short-term, long-term and permanent easements designed to keep working farms and ranches in agricultural use, and reserves 2,000,000 acres for the enrollment and protection of native grasslands. In addition, this section provides for certain Conservation Reserve Program lands of high ecological value to be shifted to the Grassland Reserve Program and authorizes a Grassland Reserve Enhancement Program, similar to the Conservation Reserve Enhancement Program, through which the Secretary may enter into agreements with states to leverage GRP funds with state resources to meet state grassland conservation goals.

Sec. 105 Expand and Reform the Environmental Quality Incentives Program

This section increases annual funding for the Environmental Quality Incentives Program, which shares the cost of practices to enhance air, water, and wildlife, from \$1.3 billion to \$2 billion. In addition to these funds, this section also increases annual funding for “innovation” grants to \$75 million, expands a sub-program to reward water conservation to \$100 million a year, and creates two new sub-programs, one to reward the stewardship of small, private forest lands and one to help producers improve water quality in nutrient-impaired watersheds through enhanced, innovative nutrient and manure management. This section also reforms EQIP to reward cost-effective producers meeting national and local environmental priorities, to reward high levels of environmental performance, and to give priority to projects designed to improve the environmental performance of existing operations. This section also directs the Secretary to use 10 percent of EQIP funds to reward states that do the best job of implementing EQIP to reward innovative, cost-effective producers and to encourage producers to work together to leverage other resources to address local environmental challenges.

Sec. 106 Expand the Wildlife Habitat Incentives Program

This section increases from \$85 million to \$300 million annual funding for the Wildlife Habitat Incentives Program, which shares the cost of wildlife habitat restoration of farm, ranch and forest lands. This section also provides incentive payments to protect and restore the habitat of federally threatened and endangered species, including the cost of

establishing and maintaining habitat, and increases the program's emphasis on longer-term agreements.

Sec. 107 Encourage Cooperative Conservation

This section reserves 20 percent of all working lands incentives for the Secretary and for State Conservationists to provide multi-year grants to groups of farmers, ranchers and other stakeholders addressing local and regional environmental priorities. This section requires that proposals from states, counties, cooperatives, conservation districts or non-governmental organizations to the Secretary or the State Conservationist leverage other local, state, federal or private dollars; demonstrate local support; include clear environmental objectives; and provide needed technical assistance and performance measures.

Sec. 108 Provide Regional Equity

This section raises the floor for state allocations by USDA of working lands conservation spending to \$15 million a year. This section also prohibits funds received in or by a state through a cooperative conservation grant from being counted as part of a state's minimum allocation.

Sec. 109 Adjusted Gross Income Limit

This section ensures that all producers are eligible for conservation payments, including ranchers in Hawaii, Florida, California and Texas. In particular, this section exempts conservation payments from the Adjusted Gross Income limitation, which prohibits farmers from receiving a variety of federal payments if a producer has a three-year average Adjusted Gross Income that exceeds \$2.5 million and less than 75% of the average AGI is derived from farming.

Sec. 110 Expand the Agricultural Management Assistance Program

This section reauthorizes and doubles funding for AMA program, which provides conservation and other forms of assistance to producers in certain states.

Sec. 111 Protect and Restore Community Forests

This section amends the Cooperative Forestry Assistance Act to authorize \$50 million for the protection and restoration of community forests.

Sec. 112 Expand the Farmland and Ranchland Protection Program

This section increases annual spending on the Farm and Ranchland Protection Program from \$85 million to \$300 million.

Sec. 113 Expand the Healthy Forest Reserve Program

This section provides mandatory funding from the Commodity Credit Corporation for the Healthy Forests Reserve Program, which provides funds to protect and restore forest lands that benefit rare species and sequester carbon, and allows the use of permanent easements.

Sec. 114 Pest Management

This section directs the Secretary to help producers to comply with local pest management regulations and to avoid future regulations, including regions with significant concentrations of specialty crops.

Sec. 115 Initiative to Encourage Greater Participation by Socially Disadvantaged Farmers and Ranchers in Conservation Programs

This section provides for 100% cost-share rates for socially disadvantaged farmers and ranchers participating in conservation programs. Socially disadvantaged farmers and ranchers are farmers and ranchers who belong to racial or ethnic groups whose members have suffered from discrimination. This section authorizes the Secretary of Agriculture to make grants to community-based organizations, Indian tribes, and educational institutions to provide information and technical assistance to socially disadvantaged farmers and ranchers to assist them in participating in conservation programs. This section provides \$25 million a year in mandatory funding for this initiative.

Sec. 116 Conservation Loan Guarantee Program

This section creates a loan guarantee program to assist farmers seeking to obtain financing to implement conservation measures.

Sec. 117 Pilot Program for Comprehensive Conservation Planning

This section requires the Secretary to establish a pilot program to provide comprehensive conservation planning assistance to producers in the Chesapeake Bay watershed, the Great Lakes basin, the Connecticut River watershed, and the Highlands region.

Sec. 118 Technical Assistance under Department of Agriculture Conservation Programs

This section encourages the Secretary to use competitive bidding to enter into agreements with third parties to provide technical assistance to producers offering to implement conservation practices and measures. This section also establishes an educational assistance program through which students in fields such as agronomy, conservation biology, engineering and other relevant subjects may receive educational assistance in exchange for a commitment of service to the Natural Resources Conservation Service.

Title II – Energy

Sec. 201 Definition of Biomass

This section ensures that agricultural wastes, such as rice straw and wheat straw, are treated as biomass.

Sec. 202 Expansion and Reform of Bio-Refineries Program

This section provides \$100 million in grants, loans and loan guarantees to farmer-owned cooperatives and businesses developing fuels and energy on farms, ranches and forests in ways that also meet our environmental challenges.

Sec. 203 Energy Audit

This section reauthorizes and expands funding for energy audits on farms and ranches to improve energy efficiency.

Sec. 204 Expand Renewable Energy Grants

This section reauthorizes and gradually expands annual funding for renewable energy grants from \$23 million to \$250 million by FY 2012.

Sec. 205 Continuation of Bio-Energy Program

This section continues a program to partially compensate the producers of fuels made from farm products when they expand production.

Sec. 206 Biomass R&D

This section reauthorizes and expands funding for biomass research and development.

Sec. 207 Carbon Cycle Research

This section expands continues research on the carbon sequestration benefits of agricultural practices.

Title III – Healthy Food Choices

Sec. 301 Expand Community Food Grants

This section increases annual grants to develop community food projects to \$60.5 million.

Sec. 302 Expand Fresh Fruit and Vegetable Program

This section expands a program providing healthy snacks to school children to at least 100 elementary or secondary schools in all 50 states.

Sec. 303 Expand Farm-to-Cafeteria Program

This section increases to \$20 million annual funding to link schools with local farmers and ranchers.

Sec. 304 Farmers Market Coupons for Low-Income Americans

This section increases annual funding for coupons for low-income Americans to shop at farmers markets to \$75 million.

Sec. 305 Farmers Market Coupons for Elderly Americans

This section increases annual funding for coupons for elderly Americans to shop at farmers markets to \$75 million and allows for regional flexibility.

Sec. 306 Funds to Establish Farmers Markets

This section expands to \$25 million annual funding for the development of farmers markets and other direct markets that link farmers with consumers, with \$5 million of that to support the use of EBT at farmers markets.

Sec. 307 Preference for Locally Produced Foods

This section encourages schools, military installations, and other large institutions to purchase locally produced foods.

Sec. 308 Fruit and Vegetable Nutrition Promotion Program

This section establishes a matching grant program to promote increased consumption of fruits and vegetables to meet USDA dietary guidelines.

Sec. 309 Dietary Guidelines in School Lunch Programs

Encourage schools to offer school lunches that are based upon USDA's dietary guidelines

Sec. 310 Specialty Crop Purchases

This section provides additional funds to purchase fruits, vegetables and other specialty crops for distribution in schools.

Sec. 311 Nutrition Education

This section strengthens the Food Stamp Nutrition Education Program (FSNE) to improve the diets of low-income Americans.

Sec. 312. Food Stamp Fruit and Vegetable EBT Pilot Program

This section provides financial incentives to low-income households that purchase of fruit and vegetables.

Title IV – Promotion of New Markets and Farm Viability

Sec. 401 Farm Viability Program

This section provides \$50 million in mandatory funds each year for grants to states and producers to work with farm and business planning experts to develop new products and markets in order to boost farm profitability.

Sec. 402 Organic Certification and Transition

This section provides \$750 to a farmer or handler as reimbursement for the cost of organic certification and provides up to \$10,000 a year for four years to producers making the transition from conventional to organic food production.

Sec. 403 Organic Research

This section provides \$10 million annually for organic research.

Sec. 404 Value-Added Market Development Grant Program

This section increases annual funding for the Value-Added Market Development Grant Program to \$50 million.